

The Board of Trustees of Denton Independent School District, State of Texas, met in a special meeting at the Denton ISD Central Services building, 1307 N. Locust St., Denton, Texas, on Tuesday, August 26, 2014 at 6:02 PM. The meeting was called to order by president Glenna Harris who announced that a quorum was present.

Board Members Present: Alexander, Burns, Harris, Martinez, Price, Smith and Stafford

Board Members Absent:

Arrived Late:

Left Early:

School Personnel Present: Wilson, Mattingly, Stripling, Monschke, Valenta, Sargent, Hicks, Cox and Stevenson.

Others: Brittany Tabor, *Denton Record Chronicle*; DEA; Randy Stout, Attorney; citizens, staff, and students.

Pledges: The pledges to the flags were led by staff.

Presentations/ Recognitions Sharon Cox, Director of Communications and Community Relations was given a surprise recognition by the Board of Trustees for her fifteen years of service with Denton ISD. Mrs. Cox will be retiring as of August 31, 2014.

1st Open Forum No one wished to speak

Review of Bond Refunding/ Prepayment of Bonds/Bond Capacity Bill Gumbert, Managing Director of BOSC, Inc. provided the Board with information on Bond Refunding, Prepayment of Bonds in Fiscal Year 2014/15 and Bond Capacity.

Over the last 10-years, Denton Independent School District has implemented debt management strategies to reduce the cost of voter approved bonds. In total, such strategies have directly reduced the District's borrowing costs by more than \$63.9 million. The District has implemented six refunding programs to lower the interest rate on its existing bonds, generating more than \$41.9 million of savings for District taxpayers. The District has implemented two "synthetic debt structures" to potentially reduce the District's interest cost – To date, these structures have reduced the District's interest cost by more than \$6.4 million.

The Board's goal when reviewing the district's existing bond structure is threefold:

- To pay off existing debt quickly;

- To maximize future savings by refinancing when the market allows;
- To maintain favorable bond ratings, which equates to lower interest rates for district bonds and long-term savings.

In an effort to increase tax payer savings and expedite the payment of existing debt, the Board compared the difference between a one-cent increase to the debt service fund, raising it to 50 cents per \$100 valuation, or maintaining it at its current rate of 49 cents. The one-cent increase would grant the prepayment of additional existing bonds prior to their scheduled maturity, allowing for the payment of \$8.18 million in bonds and a savings of more than \$5.91 million in interest costs.

If the District stayed at its current rate of 49 cents it could prepay \$7 million in bonds and save \$4.6 million in future interest costs.

This item is for information only. No action is required.

Annual
Bilingual/ESL
Program Update

Teresa Taylor, Director of Bilingual and ESL programs, and Grace Del Valle, coordinator of the program presented the Board with information describing the continuing progress toward strengthening the Bilingual/ESL Programs to enrich the learning of students.

Transitional and Dual Language Enrichment Programs are offered in grades PreK-5. There are 10 elementary and two early childhood campuses that implement the bilingual program. These campuses are: Borman, Evers, Ginnings, Hodge, Rivera, Pecan Creek, Newton Rayzor, WS Ryan, Wilson, Lee, Gonzalez, and Ann Windle. During 2014-2015 school year, the Transitional Program will continue in grades 5 and will phase out in 2015-2016 with the Dual Language Enrichment Program district-wide.

In 1999, there were a total of 12,947 students enrolled of which 1,162 were ELLs. This past 2013-2014 school year, the total student population was 26,260 of which 3,853 were identified as English Language Learners.

This item is for information only. No action is required.

Summer School
Update

Dr. Mike Mattingly, Assistant Superintendent for Curriculum, Instruction and Staff Development, gave a report on the 2014 summer school program. This report is provided to the Board of Trustees as an update on the outcomes of the 2014 Denton ISD Summer School Program, including Bilingual/ESL and Secondary.

Additionally, the report shares information regarding 2014 Extended School Year (ESY) services for students with disabilities. Federal funds were used to provide services for eligible students. The intent of the program is to provide students who have lost skills during the traditional school year an opportunity to regain those skills.

There were 248 fifth-graders, 251 Pre-K and Kindergarten students, 388 middle schoolers and 284 high school students that participated in summer school.

This item is for information only. No action is required.

Growth Report Rocky Gardner with Templeton Demographics presented the Board with the 2nd Quarter Growth report. Texas remains a top state in job growth from June 2013 to 2014, with a rate of 3.3%, 1.5 percentage points higher than the national average. The state's unemployment rate has been at or below the national rate for 7 consecutive years.

In the second quarter of 2014, the district has 1,587 housing starts and 1,332 in closings. In future growth, the district currently has 2,476 Vacant Developed Lots and 14,952 Future Lots. The fastest-growing area continues to be the 380 corridor in the eastern section of the district. The growth in housing has Templeton Demographics predicting the district's enrollment to top 35,000 students in 10 years.

This item is for information only. No action is required.

Bond Progress Report This report has been postponed to the next Board meeting.

Construction Report Garry Ryan with Balfour Beatty Construction stated Dorothy P. Adkins Elementary successfully opened and was on-time and under budget. High School #4 excavation was underway.

This item is for information only. No action is required.

Enrollment Update Darrell Muncy provided the enrollment figures for the second day of school of 26,496. The district's enrollment count increased by more than 500 students from last year's first-day numbers. The largest enrollment increases were at the district's comprehensive high schools with 6,882 students on the second day. Denton High had 2,071; Guyer High had 2,388, Ryan High, 2,351 and Fred Moore High, 72.

This item is for information only. No action is required.

Volunteer/ Partnership Annual Report Sharon Cox, Director of Communications and Community Relations for the district, presented the Denton ISD Volunteer & Partnership Report for the 2013-14 school year.

Denton ISD volunteers accounted for 464,556 hours of service last school year. This is the highest amount ever recorded for Denton ISD. If their time is calculated at \$18 an hour – excluding all benefits – the amount they saved the district is more than \$8.4 million. In Community Partnerships, there

were more than 200 business, agencies and churches that partnered with the districts 38 campuses.

This item is for information only. No action is required.

2nd Open Forum No one wished to speak

Consent Agenda Motion by Mia Price and seconded by Charles Stafford

To approve (the minutes for the August 12, 2014 board meeting; personnel matters, leaves and absences; Investment Report as of July 31, 2014; Fred Moore Day Nursery Memorandum of Understanding; Transportation Hazardous Routes Resolution; approval for the second and final extension of CSP 091202 – Custodial Services; approval the first extension for a term of two years with TD Industries in the amount of \$1,803,706 annually; approval of second extension for a term of two years with Metheny in the amount of \$717,314.92 annually for grounds services; approval the first extension for a term of two years with Protection I for a total \$49,720.20 annually; approval of Option #3 – Purchase Attendance Credits from the State (TEC, 41.091-41.099) to reduce the property wealth per weighted average daily attendance (WADA) for 2014-2015; approval of Amendment No. 2 to Interlocal Cooperation Agreement Use of Street Right-of-Way for DISD Fiber Optic System Including the Release of Easement; and approval of Denton Granting Enlarged Easement to DME.

With the approval of personnel in the Consent Agenda the Board named Paul Martinez, assistant principal at Denton High, as principal of Calhoun Middle School. He is replacing Dr. Carlos Ramirez, who has taken the deputy superintendent's position with Stafford Independent School District.

The motion passed unanimously of Board members present and voting.

Consider Motion by Jim Alexander and seconded by Barbara Burns

Approval of
Guaranteed
Maximum Price
(GMP) for High
School #4

To approve the Guaranteed Maximum Price-Base Bid of \$115,868,197 plus \$195,960 for alternate items, for a total Guaranteed Maximum Price of \$116,064,157 submitted by Balfour Beatty for the construction of Comprehensive High School #4. This project will be funded from the 2013 Bond Authorization, 2007 Bond Authorization and interest earnings and contingency from the 2007 and 2004 Bond Authorizations.

The motion passed unanimously of Board members present and voting.

Consider Motion by Charles Stafford and seconded by Jim Alexander

Approval of
TASB Update
100 & FP

To approve TASB Update 100 & FP (Local) policies on first reading.

(Local) – 1st Reading The motion passed unanimously of Board members present and voting.

Consider Approval of Order Authorizing Issuance of Unlimited Tax Refunding Bonds Motion by Jim Alexander and seconded by Dorothy Martinez
To approve of the Order Authorizing the Issuance of the Denton Independent School District Unlimited Tax Refunding Bonds with the following parameters:
1. The District achieves savings of at least \$750,000;
2. The maximum principal amount of Refunding Bonds that may be issued is \$15,010,000;
3. The maximum interest rate (federal arbitrage yield) on the Refunding Bonds is 2.15%;
4. The final maturity of the Refunding Bonds may not exceed August 15, 2022 – the same final maturity as the 2006-A Bonds that are contemplated to be refunded; and
5. The refunding program is completed prior to February 24, 2015.

The motion passed unanimously of Board members present and voting.

3rd Open Forum No one wished to speak.

Closed Meeting The Board convened into Closed Session at 8:42 pm

Open Meeting The Board reconvened into Open Session at 10:00 pm

Adjournment: The meeting adjourned at 10:06 pm

President

Secretary